

[BILLING CODE: 6750-01S]

FEDERAL TRADE COMMISSION

[File No. 152 3051]

American International Mailing, Inc.; Analysis of Proposed Consent Order to Aid Public

**Comment** 

**AGENCY:** Federal Trade Commission.

**ACTION:** Proposed Consent Agreement.

**SUMMARY:** The consent agreement in this matter settles alleged violations of federal law prohibiting unfair or deceptive acts or practices. The attached Analysis to Aid Public Comment describes both the allegations in the draft complaint and the terms of the consent order -- embodied in the consent agreement -- that would settle these allegations.

**DATES:** Comments must be received on or before May 7, 2015.

**ADDRESSES:** Interested parties may file a comment at

https://ftcpublic.commentworks.com/ftc/americaninternconsent online or on paper, by following the instructions in the Request for Comment part of the SUPPLEMENTARY

INFORMATION section below. Write "American International Mailing, Inc. – Consent Agreement; File No. 152 3051" on your comment and file your comment online at <a href="https://ftcpublic.commentworks.com/ftc/americaninternconsent">https://ftcpublic.commentworks.com/ftc/americaninternconsent</a> by following the instructions on the web-based form. If you prefer to file your comment on paper, write "American International Mailing, Inc. – Consent Agreement; File No. 152 3051" on your comment and on the envelope, and mail your comment to the following address: Federal Trade Commission, Office of the Secretary, 600 Pennsylvania Avenue, NW, Suite CC-5610 (Annex D), Washington, DC 20580,

or deliver your comment to the following address: Federal Trade Commission, Office of the Secretary, Constitution Center, 400 7th Street, SW, 5th Floor, Suite 5610 (Annex D), Washington, DC 20024.

FOR FURTHER INFORMATION CONTACT: Monique Einhorn, Bureau of Consumer Protection, (202) 326-2575, 600 Pennsylvania Avenue, NW, Washington, DC 20580.

SUPPLEMENTARY INFORMATION: Pursuant to section 6(f) of the Federal Trade Commission Act, 15 U.S.C. 46(f), and FTC Rule 2.34, 16 CFR 2.34, notice is hereby given that the above-captioned consent agreement containing consent order to cease and desist, having been filed with and accepted, subject to final approval, by the Commission, has been placed on the public record for a period of thirty (30) days. The following Analysis to Aid Public Comment describes the terms of the consent agreement, and the allegations in the complaint. An electronic copy of the full text of the consent agreement package can be obtained from the FTC Home Page (for April 7, 2015), on the World Wide Web at: http://www.ftc.gov/os/actions.shtm.

You can file a comment online or on paper. For the Commission to consider your comment, we must receive it on or before May 7, 2015. Write "American International Mailing, Inc. – Consent Agreement; File No. 152 3051" on your comment. Your comment - including your name and your state - will be placed on the public record of this proceeding, including, to the extent practicable, on the public Commission Website, at <a href="http://www.ftc.gov/os/publiccomments.shtm">http://www.ftc.gov/os/publiccomments.shtm</a>. As a matter of discretion, the Commission tries to remove individuals' home contact information from comments before placing them on the Commission Website.

Because your comment will be made public, you are solely responsible for making sure that your comment does not include any sensitive personal information, like anyone's Social Security number, date of birth, driver's license number or other state identification number or

foreign country equivalent, passport number, financial account number, or credit or debit card number. You are also solely responsible for making sure that your comment does not include any sensitive health information, like medical records or other individually identifiable health information. In addition, do not include any "[t]rade secret or any commercial or financial information which . . . is privileged or confidential," as discussed in section 6(f) of the FTC Act, 15 U.S.C. 46(f), and FTC Rule 4.10(a)(2), 16 CFR 4.10(a)(2). In particular, do not include competitively sensitive information such as costs, sales statistics, inventories, formulas, patterns, devices, manufacturing processes, or customer names.

If you want the Commission to give your comment confidential treatment, you must file it in paper form, with a request for confidential treatment, and you have to follow the procedure explained in FTC Rule 4.9(c), 16 CFR 4.9(c). Your comment will be kept confidential only if the FTC General Counsel, in his or her sole discretion, grants your request in accordance with the law and the public interest.

Postal mail addressed to the Commission is subject to delay due to heightened security screening. As a result, we encourage you to submit your comments online. To make sure that the Commission considers your online comment, you must file it at <a href="https://ftcpublic.commentworks.com/ftc/americaninternconsent">https://ftcpublic.commentworks.com/ftc/americaninternconsent</a> by following the instructions on the web-based form. If this Notice appears at <a href="http://www.regulations.gov/#!home">http://www.regulations.gov/#!home</a>, you also may file a comment through that website.

If you file your comment on paper, write "American International Mailing, Inc. –

Consent Agreement; File No. 152 3051" on your comment and on the envelope, and mail your comment to the following address: Federal Trade Commission, Office of the Secretary, 600

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<sup>&</sup>lt;sup>1</sup> In particular, the written request for confidential treatment that accompanies the comment must include the factual and legal basis for the request, and must identify the specific portions of the comment to be withheld from the public record. *See* FTC Rule 4.9(c), 16 CFR 4.9(c).

Pennsylvania Avenue, NW, Suite CC-5610 (Annex D), Washington, DC 20580, or deliver your comment to the following address: Federal Trade Commission, Office of the Secretary, Constitution Center, 400 7th Street, SW, 5th Floor, Suite 5610 (Annex D), Washington, DC 20024. If possible, submit your paper comment to the Commission by courier or overnight service.

Visit the Commission Website at <a href="http://www.ftc.gov">http://www.ftc.gov</a> to read this Notice and the news release describing it. The FTC Act and other laws that the Commission administers permit the collection of public comments to consider and use in this proceeding as appropriate. The Commission will consider all timely and responsive public comments that it receives on or before May 7, 2015. You can find more information, including routine uses permitted by the Privacy Act, in the Commission's privacy policy, at <a href="http://www.ftc.gov/ftc/privacy.htm">http://www.ftc.gov/ftc/privacy.htm</a>.

## **Analysis of Proposed Consent Order to Aid Public Comment**

The Federal Trade Commission ("FTC" or "Commission") has accepted, subject to final approval, a consent agreement applicable to American International Mailing, Inc. ("American International Mailing" or "AIM").

The proposed consent order has been placed on the public record for thirty (30) days for receipt of comments by interested persons. Comments received during this period will become part of the public record. After thirty days, the Commission will again review the agreement and the comments received, and will decide whether it should withdraw from the agreement and take appropriate action or make final the agreement's proposed order.

This matter concerns alleged false or misleading representations that AIM made to consumers concerning its participation in the Safe Harbor privacy framework agreed upon by the U.S. and the European Union ("EU") ("U.S.-EU Safe Harbor Framework"). The U.S.-EU Safe Harbor Framework allows U.S. companies to transfer data outside the EU consistent with

European law. To join the U.S.-EU Safe Harbor Framework, a company must self-certify to the U.S. Department of Commerce ("Commerce") that it complies with a set of principles and related requirements that have been deemed by the European Commission as providing "adequate" privacy protection. These principles include notice, choice, onward transfer, security, data integrity, access, and enforcement. Commerce maintains a public website, www.export.gov/safeharbor, where it posts the names of companies that have self-certified to the U.S.-EU Safe Harbor Framework. The listing of companies indicates whether their self-certification is "current" or "not current." Companies are required to re-certify every year in order to retain their status as "current" members of the U.S.-EU Safe Harbor Framework.

American International Mailing provides a service for transporting mail, parcels, and freight worldwide. According to the Commission's complaint, AIM has set forth on its website, www.aimmailing.com/privacy.html, privacy policies and statements about its practices, including statements related to its participation in the U.S-EU Safe Harbor Framework.

The Commission's complaint alleges that American International Mailing falsely represented that it was a "current" participant in the U.S.-EU Safe Harbor Framework when, in fact, from May 2010 until January 2015, AIM was not a "current" participant in the U.S.-EU Safe Harbor Framework. The Commission's complaint alleges that in May 2006, American International Mailing submitted its self-certification to the U.S.-EU Safe Harbor Framework. AIM did not renew its self-certification in May 2010 and Commerce subsequently updated American International Mailing's status to "not current" on its public website. In January 2015, American International Mailing removed its Safe Harbor representation from its website privacy policy.

Part I of the proposed order prohibits American International Mailing from making misrepresentations about its membership in any privacy or security program sponsored by the

government or any other self-regulatory or standard-setting organization, including, but not

limited to, the U.S.-EU Safe Harbor Framework and the U.S.-Swiss Safe Harbor Framework.

Parts II through VI of the proposed order are reporting and compliance provisions. Part

II requires American International Mailing to retain documents relating to its compliance with

the order for a five-year period. Part III requires dissemination of the order now and in the future

to persons with responsibilities relating to the subject matter of the order. Part IV ensures

notification to the FTC of changes in corporate status. Part V mandates that American

International Mailing submit an initial compliance report to the FTC, and make available to the

FTC subsequent reports. Part VI is a provision "sunsetting" the order after twenty (20) years,

with certain exceptions.

The purpose of this analysis is to facilitate public comment on the proposed order. It is

not intended to constitute an official interpretation of the proposed complaint or order or to

modify the order's terms in any way.

By direction of the Commission.

Donald S. Clark,

Secretary.

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